

COMMONWEALTH OF MASSACHUSETTS
DEPARTMENT OF TELECOMMUNICATIONS AND ENERGY

D.T.E. 01-39

DIRECT TESTIMONY
OF
BRUCE LEAR AND LYNELLE RENEY
on behalf of

VERIZON NEW ENGLAND INC., D/B/A VERIZON MASSACHUSETTS

December 3, 2001

1 Q. Please identify the name and business address of the individual panel members.

2 A. The members of this panel are Mr. Bruce Lear and Ms. Lynelle Reney. Mr.
3 Lear's business address is 2980 Fairview Park Drive Falls Church, Virginia. Ms.
4 Reney's business address is 125 High Street, Floor 12, Boston, Massachusetts.

5 Q. Please describe the current position, educational background and professional
6 experience of each panel member.

7 A. **Bruce Lear** is Senior Staff Specialist – Product Line Management - Collocation
8 for Verizon. He has held this position since 1996 and is directly involved with
9 negotiating Competitive Local Exchange Carrier ("CLEC") Interconnection
10 Agreements and developing collocation service offerings in the former Bell
11 Atlantic states and at the Federal Communications Commission ("FCC").
12 Mr. Lear has 33 years of telecommunications experience with Verizon and the
13 former C&P Telephone Companies. During that time, he has held a variety of
14 positions of increasing responsibility in Network Operations. Mr. Lear has
15 testified concerning collocation issues previously before the Department and in
16 the states of Delaware, Pennsylvania, New Jersey, and Maine.

17 **Lynelle Reney** is Director-Collocation for Verizon East (former Bell Atlantic
18 jurisdictions). In her current position, Ms. Reney is responsible for overseeing all
19 functions related to collocation application receipt and processing, including
20 issuing acknowledgement letters, cost/schedule letters and notifications to
21 CLECs, and for overseeing the billing of all collocation arrangements and
22 augments. Ms. Reney has 17 years of experience in New England Telephone,
23 NYNEX, Bell Atlantic and Verizon. During that time, she was employed in

1 various departments, including Real Estate, Equipment Installation, and Corporate
2 Services. Ms. Reney earned her Bachelor's degree in Psychology and Masters in
3 Business Administration from the University of Rhode Island. She has testified
4 before the Pennsylvania Public Utility Commission in Docket No. P-00001852
5 which was a dispute resolution proceeding regarding the provisioning and billing
6 of DC power.

7 Q. What is the purpose of this testimony?

8 A. The purpose of this testimony is to respond to claims raised in the testimonies of
9 Covad Communications Company (Joint Testimony of Valerie Evans and John
10 Fogarty) and AT&T Communications of New England, Inc. (Testimony of
11 Thomas R. LoFrisco and Alan Poretsky). Covad and AT&T allege that Verizon
12 Massachusetts ("Verizon MA") has charged for DC power contrary to the terms
13 of its approved intrastate tariffs and in a manner that was inconsistent with
14 industry practice at the time. Their testimony ignores the plain meaning of the
15 tariffs and attempts to create confusion about how DC power should be ordered
16 and billed by discussing at length how they allegedly configure their equipment.
17 At best, their testimony argues that the previously effective tariffs should have
18 been structured differently. However, the tariff terms with respect to DC power
19 provided to collocation arrangements are clear, and Verizon MA properly charged
20 for DC power on a per amp fused basis, per feed provided. This methodology is
21 consistent with the manner in which Verizon has charged for DC power
22 throughout the former Bell Atlantic states and for federal collocation offerings,
23 was fully detailed in documentation provided to CLECs, and was repeatedly

1 explained to parties in various Department proceedings. The manner in which
2 Verizon MA applied the DC power charges was known to all CLECs. Verizon
3 MA provided CLECs with the number of power feeds and the amount of DC
4 amperage they requested, and is therefore entitled to charge for all of these amps
5 pursuant to its lawfully approved collocation tariffs. AT&T and Covad do not
6 refute the fact that Verizon MA provided them with the power feeds appropriately
7 sized for the quantity of amperage they requested. AT&T's and Covad's effort to
8 evade charges Verizon MA has imposed consistent with its tariffs is unreasonable
9 and unwarranted, and should be rejected by the Department.

10 The testimony also comments on Covad's and AT&T's calculations regarding the
11 alleged over-billing. Not only are they incorrect that Verizon MA has over-
12 charged for DC power, but their simple formulaic approach to calculating the
13 alleged over-charges is problematic.

14 Finally, the testimony addresses Covad's claim regarding 11 collocation
15 arrangements which were ordered by Covad and provisioned by Verizon MA but
16 which Covad never occupied. Under Verizon MA's tariffs, Verizon MA properly
17 billed its recurring charges for a collocation arrangement, including charges for
18 DC power, upon occupancy or 30 days following written notice of Verizon MA's
19 completion of the collocation arrangement.

20 Q. What tariff provisions apply for collocation in Verizon's central offices and the
21 provision of DC power?

22 A Terms, conditions and rates for collocation are contained in Section E of MA
23 D.T.E. Tariff No. 17 ("Tariff 17"). Tariff 17 was developed at the direction of the

1 Department following enactment of the Telecommunications Act of 1996 (“Act”)
2 and contains comprehensive terms for collocation by CLECs at Verizon MA
3 central offices. Until the Department’s February 15, 2001, approval of revisions
4 to Tariff 17 proposed by Verizon MA, the tariff expressly provided that Verizon
5 MA would assess its DC power charges to CLECs “per fused amp” provided and
6 based on the “total power provisioned to the [CLEC] multiplexing node....” *See*
7 Tariff 17, Part E, Section 2.2.1.B, Part E. Section 2.6.3.C., Part M, Section 5.2.3.
8 In addition, the tariff states that this charge applies to each power feed Verizon
9 MA provides to a CLEC in connection with its collocation arrangement. *See id.*
10 at Part E, Section 2.2.1.B and Part M, Section 5.2.3.¹ A copy of the tariff
11 provisions are attached to this testimony as Attachment I.
12 Verizon MA also provides collocation under D.T.E. MA No. 15 (“Tariff 15”).
13 The tariff predates the Act and was implemented as a result of the Department’s
14 orders in D.P.U. 90-206/91-66. The provisions of that tariff relating to
15 collocation are not as detailed as the terms of Tariff 17. With respect to power,
16 the tariff states that “[c]ollocation provides a customer with space and associated
17 requirements such as power and environmental conditioning ...” Tariff 15,
18 Section 16.1.2.A. The rate for power is set forth in Section 30.16.2. The
19 provision contains an annual rate of \$158.00 for “DC – per AMP.”

¹ The Company modified the tariff effective on February 11, 2001, changing the application of the DC power charges from fused to load amps. In doing so, Verizon also introduced appropriate audit penalty language in the tariff to address any situations where a CLEC might abuse these modifications by exceeding the specified load at a collocation arrangement.

1 Q. Has Verizon MA charged for DC power on a per fused amp, per feed basis under
2 both tariffs?

3 A. Yes. Charging on a fused amp, per feed basis is reasonable and consistent with
4 the tariff provisions. Verizon MA does not meter the power consumption of
5 CLECs at their collocation arrangements, and instead, has charged for the total
6 capacity that Verizon MA provisions to the collocation arrangement based on the
7 CLEC's specifications. Verizon MA provisions each feed to the CLEC with the
8 capacity to deliver the maximum amount of amperage based on the CLEC's
9 specifications up to the limit of the amps fused. That capacity is available to the
10 CLEC for its existing and future demand, and the CLEC may draw up to that limit
11 on each feed.

12 Q. In addition to the tariff language itself, were CLECs informed through other
13 means of how the DC power charges would apply?

14 A. Yes. Verizon's CLEC Handbook contained a description of the provisioning of
15 DC power and pointed out that charges for DC power were assessed on a per
16 fused amp, per feed basis (*see* CLEC Handbook, Volume III, Section 4.2 – Power
17 to the Collocation Node, Attachment II to this testimony). The Handbook states:

18 In all tariffs in Verizon North and all local intrastate tariffs in
19 Verizon South the charge is for the DC power fused on a per-amp,
20 per-feed basis. ... Generally, Verizon provides A and B loads on
21 cable long enough to reach the CLEC's equipment..." also, "DC
22 Power Rate - This rate applies for the provision of -48v DC
23 protected power required by the CLEC equipment in the
24 collocation node. It is assessed per amp, per feed provided, and
25 will be based on the total fused power provisioned to the node.
26

1 In addition, the manner in which the DC power charges were applied was
2 explained in various Department proceedings. For example, in Docket D.T.E. 98-
3 57, the Department and parties were clearly informed about the manner by which
4 Verizon MA applied DC power charges through rebuttal testimony of Amy Stern.
5 In this rebuttal testimony, Verizon MA addressed certain statements by a Covad
6 witness regarding power charges. Verizon MA's rebuttal explained that under the
7 proposed tariff, DC power charges were applied on a per fused amp, per feed
8 basis based on the level of power requested by the CLEC:

9 The Covad applications specified 40 DRAIN amps of power feed.
10 Proper engineering for DC Power requires 60 fused amps to
11 support 40 amps of drain. The DC power feeds that are fused for
12 60 amps are allocated and dedicated to Covad and require
13 [Verizon] to engineer the power distribution plant accordingly.
14 The power rates are based on fused amps as well, not drained
15 amps. Covad may specify their power requirements in as little as
16 single amp increments and if they require less than 60 fused amps
17 they should order less, but [Verizon] should not be penalized for
18 providing the power requirements consistent with the Covad
19 application." (Amy Stern Rebuttal, August 16, 1999, at 46)
20

21 The Department and CLECs also questioned Verizon MA's collocation witness at
22 the November 15, 1999, Technical Session in D.T.E. 99-271 concerning the very
23 issue raised here. See D.T.E. 99-271, Tr. 1106-11. The Department noted that
24 CLECs had expressed concern about Verizon MA's application of DC power
25 charges on a per amp, per feed basis and asked the Verizon MA witness to explain
26 the company's position. The witness testified:

27 We're charging for the amount fused, and we're charging for both
28 an A and a B feed. ... From the Bell Atlantic perspective and from
29 how the cost studies were developed, we've actually got power
30 plant supporting both of those A and B feeds, and it's there for the
31 CLECs' purposes. So we've put in this power plant. We've got the

1 capacity available for the CLECs' use as we're supplying it, which
2 is two feeds, 60 amps fused. And that's how it's charged. It's been
3 charged like that since the beginning of time.

4 **Tr. 1107-08.** This testimony explains precisely what Verizon MA was proposing in
5 its tariff relating to DC power – a tariff that was then pending review before the
6 Department in D.T.E. 98-57, which clearly states that the charges apply on a per
7 fused amp, per feed basis.

8 **Q.** How have DC power charges been assessed in other Verizon jurisdictions?

9 **A.** Verizon's FCC No. 1 and No. 11 tariffs charge for power based on the fused
10 capacity, per feed and DC power in all other state tariffs in the former Bell
11 Atlantic jurisdictions originally charged for power at the fused capacity, per feed.
12 As in Massachusetts, some of the state tariffs have been modified to bill for load
13 amps, based on settlement agreements in some of the former Bell Atlantic South
14 jurisdictions and revisions have been made to the Verizon North tariffs to bill for
15 load amps with appropriate audit and penalty language incorporated into the tariff
16 revisions.

17 **Q.** Has Verizon's method for assessing DC power charges been litigated in any other
18 jurisdiction?

19 **A.** Yes. On November 6, 2001, an Administrative Law Judge in a Pennsylvania
20 proceeding (Docket P-00001852) found that Verizon Pennsylvania's tariff
21 provided for charging CLECs on the basis of fused amps and that the basis was
22 changed to load amps through a settlement (Finding 22-23). A copy is provided
23 in Attachment III.

1 Q. How do Verizon's application of the charges compare to other ILEC practices for
2 billing and fusing for DC power?

3 A. Bell South, Ameritech and Sprint assess a DC power charge per each power
4 feed's fused amperage capacity. Other ILECs have rates for power distribution
5 cables based upon the fused amperage capacity and some ILEC tariffs offer power
6 in minimum increments (*i.e.*, 10 amps, 20 amps, 40 amps, etc.).

7 Q. Does Verizon MA determine the amount of power that is provisioned to a
8 collocation arrangement?

9 A. No. The CLECs, not Verizon MA, determine how much power is provisioned to
10 a collocation arrangement and engineer how that power is distributed within the
11 collocation arrangement. Verizon MA's Collocation Application (and associated
12 instructions) specifically ask the CLEC to state the total number of "drain" amps,
13 per feed, they want provisioned. Verizon MA states on these forms that the
14 CLEC will be provided an "A&B Feed Pair," which reflects engineering practice
15 and the historic CLEC preference for at least two separate feeds. The application
16 further states that Verizon MA will increase the CLECs stated load amount by
17 1.25 to 1.5 times, consistent with industry standards, and that Verizon MA will
18 bill the CLEC for the fused amount on each of these feeds.²

² See Covad Direct Testimony at Exhibit D (Collocation Application), which states, in part, that "[VZ] fuses in accordance with industry standards of 1.25 to 1.5 times drain" and that "[VZ] bills based on total fused amps." The CLEC Handbook further states that the DC power rate "is assessed per amp, per feed provided to be based on the total fused power provisioned to the node." Further, the CLECs inspect their collocation arrangements, including their power feeds, prior to accepting them from Verizon MA. The CLECs can therefore complain at that time if Verizon MA has provisioned too much power.

1 Although they attempt to confuse the issue here, there is no question that AT&T
2 and Covad *want* Verizon to provide them with two feeds (or more) and to provide
3 1.25 to 1.5 the number of drain amps they state on their applications.

4 Q. Please describe the process and business rules by which CLECs order DC power
5 for their requested collocation arrangements?

6 A CLECs use the Verizon Collocation Application Form to apply for collocation
7 and order all the components necessary to support their unique collocation
8 requirements. This includes the amount of space/bays, cable terminations (fiber,
9 DS3, DS1, voice grade and line share), POT Bay, DC power, etc. The application
10 has been revised over time to accommodate changes in product offerings and to
11 improve the overall ordering process to insure that Verizon understands and
12 properly builds the CLEC's collocation arrangement to the CLEC's
13 specifications. From January 1999 until recently, the DC power section of the
14 Collocation Application asked the CLEC to indicate the number of A and B feeds
15 and the number of load or drain amps required on each feed. The Collocation
16 Application also contained a "Remarks" section for a CLEC to communicate any
17 other requests, including special DC power requirements, for its collocation
18 arrangement.

19 In addition to the Collocation Instructions that accompany the Application,
20 Verizon MA also has dedicated Program Managers that act as a CLEC's single
21 point of contact for all matters related to collocation. The Program Manager is
22 available to assist CLECs in completing a Collocation Application and answering
23 any questions they may have.

1 Q. Are these procedures applicable to and consistent with the ordering of and billing
2 for DC power in any other jurisdictions where Verizon provides collocation for
3 CLECs?

4 A. These procedures are the same that have been in place since January of 1999 and
5 have applied to all CLECs ordering collocation in the former Bell Atlantic states.
6 In addition these ordering procedures apply for collocation arrangements
7 purchased under Verizon's interstate tariffs, FCC No. 1 and FCC No. 11. Prior to
8 1999, the ordering procedures for former Bell Atlantic and former NYNEX states
9 were somewhat different, but still clearly noted on the Collocation Application
10 form.

11 Q Please respond to Mr. LoFrisco's claims at pages 3-8 and those of Covad at pages
12 8-9 that Verizon's application defines "per feed" as a paired feed consisting of an
13 "A" and "B" subfeed?

14 A. AT&T and Covad attempt to create confusion by characterizing the two power
15 feeds that Verizon MA actually provides to deliver DC power by referring to
16 them as a single feed consisting of two subfeeds. There is nothing in Verizon
17 MA's tariff or Collocation Application that supports their interpretation.

18 Verizon MA provided for an "A" and "B" feed because the use of two feeds is
19 standard industry practice, and Verizon wanted to ensure that both it and the
20 CLEC were clear about what the CLEC was ordering for DC power. Although
21 DC power is traditionally ordered and provisioned with both an (A) and (B) feed
22 (a "feed pair"), not all CLECs were familiar with this industry practice. Without
23 the clear provision specifying "A" and "B" feed, the ordering of DC power could

1 be left to interpretation by both the CLEC and Verizon and could lead to Verizon
2 over or under provisioning the DC power needed by the CLEC. As a result,
3 Verizon felt it was necessary to clearly define how DC power should be ordered
4 on the Collocation Application. For example, a requirement for 2 feeds at 40
5 amps could be interpreted in several ways as follows:

- 6 a. 1 A and 1 B feed at 20 amps each,
- 7 b. 1 A and 1 B feed at 40 amps each,
- 8 c. 2 A and 2 B feeds at 20 amps each, or
- 9 d. 2 A and 2 B feeds at 40 amps each.

10 It was for these reasons that the Collocation Application was very specific in how
11 a CLEC should indicate their DC power requirements.

12 Q. Covad and AT&T state that the Collocation Application requires a CLEC to state
13 the amount of power that will be drawn from each feed and further suggests that
14 the words “do not add together” define how a CLEC should use or draw DC
15 power. Is this correct?

16 A. No. The Collocation Application asks CLECs to provide the number of “load” or
17 “drain” amps required *per feed*, not per “feed pair,” in order for Verizon to
18 properly construct and fuse the feeds. The purpose of this language, as stated
19 earlier, is to insure that both the CLEC and Verizon understand that the amount of
20 load or drain amps being requested on the Collocation Application is per feed.
21 Simply, the notion “Do Not Add Together” informs CLECs that if they want 30
22 amps on each feed, they should not write 60 amps, as this will instruct Verizon
23 MA to provision 60 amps on each feed – not 60 amps total. The instruction was

1 intended to ensure that CLECs did not over or under order power. The instruction
2 was not intended to direct CLECs on how to engineer, use, or draw DC power.

3 Q. AT&T states that the “quantity of amps is the sum of the List 1 drains for each
4 feed of a feed pair” (AT&T Poretsky Direct Testimony at 10-11). Is that an
5 accurate interpretation of Verizon’s Collocation Application?

6 A. No. The Verizon Collocation Application provided in Attachment 3 of AT&T’s
7 Testimony states “Bell Atlantic will determine the fuse size in accordance with
8 industry standards of 1.25 to 1.5 times drain. BA fuses in accordance with
9 industry standards of 1.25 to 1.5 times drain).” The industry standards for fusing
10 are determined using the List 2 drain. The application does not direct CLECs to
11 use the L1 drain. Based on Mr. Poretsky’s own testimony, the List 2 Drain should
12 be used to specify the drain for each feed – “[t]he feeders must be designed to
13 carry increased (amps) in low voltage situations.” (AT&T Poretsky Direct
14 Testimony at 7). This is consistent with how Verizon engineered the DC power
15 distribution to the specified load on the application, and appears to be consistent
16 with AT&T’s own detailed engineering specifications which requested fusing at
17 1.25 the AT&T specified load for a circuit breaker and at 1.5 times the AT&T
18 specified load for a fuse. It is further supported by AT&T which references a
19 Lucent Service Manual which states “Maximum (List 2) current drains are used to
20 size each feeder cable and fuse. To size feeder cables and fuses, use the
21 maximum current drain per feeder” (AT&T Poretsky Direct Testimony at 9).

22 Q. Covad states that a CLEC drawing more than the amount of amps that it
23 designated in its application would “have violated the application’s proscription

1 against adding the amounts of sub-feeds together” and that Verizon would have
2 properly accused Covad of stealing power.” (Covad Direct Testimony at ¶ 92)

3 Do you agree?

4 A. No. As stated earlier, the purpose of the Collocation Application is for a CLEC to
5 designate their space, interconnection and power requirements for a collocation
6 arrangement. It is not intended to explain how a CLEC should use a collocation
7 arrangement, including the power it wants delivered to the arrangement, nor
8 should it be relied upon to explain billing. CLECs should refer to the tariffs and
9 their Interconnection Agreements for information on the uses of collocation space
10 and billing. As to Covad’s point regarding “stealing”, Verizon’s tariffs permitted
11 it to charge for the total amount of power provisioned to the collocation
12 arrangement on a fused amp, per feed basis, therefore eliminating the CLEC’s
13 ability to steal power which, as Covad points out, could have easily been done.

14 Q. Do all CLECs use the DC power section of the Collocation Application as
15 instructed to order power?

16 A. No, in many instances CLECs have either modified the application to specify
17 fused amps in this section or have directed Verizon to refer to additional
18 documentation for their DC power requirements. In other instances, CLECs have
19 used the “Remarks” section to make notations on how they required the DC
20 power to be provisioned by Verizon. AT&T, for example, often attached a
21 spreadsheet designating both the load amps requested as well as the size of the
22 fuse they wanted Verizon to place. Attachment IV provides several examples of
23 actual Collocation Applications where AT&T Local Services Company (“ALS”)

1 uses the Remarks section and an attached Power Matrix to specify DC power
2 requirements.³ (Attachment IV contains customer specific proprietary
3 information and accordingly has been designated by Verizon MA as proprietary.)
4 AT&T's instructions regarding its power requirements were detailed as to the
5 numbers of feeds it wanted constructed and the capacity it wanted on these feeds.
6 Regardless of location of this information (DC Power section, Remarks section or
7 additional attachments), Verizon used this to provision the DC power in
8 accordance with the CLEC's specifications.

9 Q. Would Verizon MA have accommodated a request for one feed or fewer amps?

10 A. Yes, the "Remarks" section on the Collocation Application is designed
11 specifically to permit a CLEC to notify Verizon MA of any special or unique
12 requirements. CLECs routinely ask for different requirements on their collocation
13 applications, sometimes in the remarks section, sometimes elsewhere. Thus, all
14 the CLEC had to do was request one feed or request that Verizon MA fuse the
15 feed at the load amount, rather than at 1.25 to 1.5 this amount.⁴

16 Q. Please comment on Covad's claim at paragraphs 24 and 25 of its Direct
17 Testimony that if it orders 40 amps of drained power to serve a piece of
18 collocated equipment (*e.g.*, a DSLAM), it would order a power feed comprised of
19 two subfeeds each with the ability to provide 40 amps drain at any given time.

³ The ALS Template Power Matrix is from Tab 5 of AT&T's Collocation Application Support Document that details equipment specifications and DC power requirements for different AT&T Collocation configurations deployed in Verizon.

⁴ Many CLECs, including AT&T, order multiple feeds. Indeed, AT&T typically orders up to eight feeds per arrangement. Any suggestion that Verizon MA forced CLECs to take more than one feed is baseless.

1 A. Verizon MA does not engineer the CLECs' power configuration and thus has no
2 way of knowing what a CLEC ultimately does with the power it orders from
3 Verizon MA. In many of the applications submitted by Covad, it only requested
4 A and B power feeds with a specified load of 40 amps each. Verizon MA did not
5 know or monitor how Covad drew or configured the power Verizon MA provided
6 to the collocation arrangements. In actual visits to Covad's collocation sites, the
7 A and B power feeds provided by Verizon terminate to a secondary power
8 distribution point (fuse panel) located in a Covad equipment bay. From that
9 secondary distribution point, Covad redistributes multiple power feeds to the
10 various pieces of equipment installed in the collocation arrangement. Some of the
11 equipment is supported by a single Covad distributed power feed and some
12 equipment has dual power feeds from the Covad fuse panel. Covad controls the
13 distribution, engineering and configuration of the DC power from their own fuse
14 panel. The amount of power actually used can be up to the total capacity that
15 Verizon MA provisioned.

16 Q Please comment on the claim at paragraph 25 of Covad's Direct Testimony that
17 "under ordinary circumstances, the two sub-feeds each carry only half the power
18 used, which is a common practice in the industry known as 'load sharing.'"

19 A. Although that may be how Covad configured its power, Verizon MA provided it
20 with the capacity to draw up to the fused capacity on both feeds. Verizon MA did
21 not have knowledge of exactly how Covad had engineered the distribution of
22 power within its collocation arrangement. However, Verizon has performed
23 audits of actual equipment loads and reviewed the results of power audits on

1 Verizon power feeds to Covad's equipment. The results of these audits reveal
2 that at certain collocation arrangements Covad has drawn up to the requested load
3 on each feed.

4 Q. Is Covad's claim that "load sharing" is the typical configuration it uses for power
5 consistent with claims it has previously made to avoid paying Verizon DC power
6 charges?

7 A. No. In an action Covad filed with the FCC complaining about Verizon NY's
8 policy of charging for the total number of fused amps, per feed, it maintained that
9 one of the feeds served only as a backup feed. Covad noted that "[T]he backup
10 power feed would operate only when the main feed fails. Thus, the DSLAM
11 draws only 40 amps of power. . . ."⁵ Both Covad and AT&T made similar claims
12 regarding the primary purpose served by a second power feed in comments in a
13 New York proceeding.⁶ However, regardless of whether either feed was used
14 only for redundancy, that was an engineering decision made by the CLEC. It
15 does not change the fact that Verizon MA provisioned the full requested capacity
16 to the collocation arrangement and properly billed for that capacity as authorized
17 by its tariffs on a per fused amp, per feed basis.

⁵ See Letter to Ms. Dorothy Attwood, Chief, Enforcement Division, Common Carrier Bureau, Federal Communications Commission from Covad, Re: Covad Communications Company's Request for Mediation with Bell Atlantic Corporation Regarding Physical Collocation and Provisioning of Loops, at 18. The FCC subsequently denied this request. See Letter from Glenn T. Reynolds, Chief, Market Disputes Resolution Division of the FCC's Enforcement Division to Thomas M. Koutsky of Covad (February 4, 2000).

⁶ See Covad and AT&T's Reply to the Response of Verizon New York to Petitioners' Complaint and Petition for Declaratory Judgement filed on December 20, 2000 (at page 20); they noted: "collocators typically request a backup power fed with each primary feed serving their equipment."

1 Q. Mr. Poretsky testifies at length about the evolution of telecommunications
2 changes in telecommunications equipment and the way those changes have
3 effected how carriers engineer their power requirements. Are his claims relevant
4 to the issue of whether Verizon MA properly applied its tariffs in charging for DC
5 power?

6 A. No. How the CLEC configured its equipment and how it delivered power to that
7 equipment are not relevant factors that affected the manner in which Verizon MA
8 was permitted to charge for power under its tariffs. Verizon MA's tariffs
9 provided for a simple charging mechanism that did not depend on any single power
10 configuration selected by any one CLEC. The tariffs charged for the fused amps
11 on each feed in accordance with the specified load which the CLEC requested on
12 each feed.

13 Q. Please address claims by Covad (Covad Direct at paragraph 80) and AT&T
14 (LoFrisco Direct at 8) that by revising its tariff in February 2001, to charge for
15 DC power on a load amp basis, Verizon admitted that charging on a fused amp
16 basis was improper?

17 A. To the contrary, as noted in Verizon MA's letter to the Department dated
18 February 1, 2001, this change "was intended to address an issue that was raised in
19 Verizon MA's initial 271 filing with the FCC regarding the application of power
20 rates." *See Letter from Bruce P. Beausejour to Mary L. Cottrell Re: Verizon*
21 *Massachusetts Tariff Filing of January 12, 2001* dated February 1, 2001.
22 Specifically, Verizon MA proposed to change the manner in which it charged for
23 DC power under Tariff 17 from a per fused amp basis, as required under the

1 Department-approved Tariff 17 at that time, to a per load amp requested basis.
2 When Verizon MA voluntarily modified the tariff to charge for load amps,
3 Verizon MA also incorporated appropriate auditing and penalty provisions for
4 CLECs that were found to be using more power than what was specified on the
5 application. *See* April 6, 2001 Tariff Filing, approved by the Department on
6 May 6, 2001. Verizon MA's filing of the tariff revisions was not any admission
7 of misapplication of the existing tariffs. In addition, Verizon introduced tariff
8 language that permitted the CLEC to specify a fused capacity on the power feeds
9 up to 2.5 times the load. These modifications were introduced to care for
10 equipment configurations that may have the capability of doing load sharing.⁷
11 The fact is that under the existing tariffs there was not sufficient flexibility for
12 such power configurations because the tariffs provided for charges on a per fused
13 amp, per feed basis or for total amps.

14 Q. Please comment on Mr. LoFrisco contentions that Verizon's interpretation of the
15 tariff is inconsistent with the Department's Phase 4-G Order in the Consolidated
16 Arbitrations.

⁷ Verizon is the only ILEC that permits the CLEC to specify the fusing of power feeds at up to 2.5 times the load, whereas other ILECs provide over-current protection at the industry standard 1.25 to 1.5 times the specified load. In Covad's example at paragraph 45 of its Direct Testimony, the revisions to the DTE MA No. 17 tariff now permit Covad to specify an equipment load of 20 amps on each feed and request that Verizon fuse each feed up to 50 amps. On a comparable basis, if Covad were to deploy the same equipment with the same power requirements in Qwest, Covad would have to order 40 amps on each feed because Qwest designates the fuse size at 1.25 times the load. Covad would be billed for 80 amps of power plus nonrecurring costs for the delivery of DC power cables. If they were to deploy the same configuration in Ameritech, they would have to order 40 amps of power on the A&B feeds and would be billed at the fused capacity (100 amps if protected at 1.25 times the load and 120 amps if protected at 1.5 times the load).

1 A. Mr. LoFrisco's reliance on the Phase 4-G Order is misplaced. Contrary to his
2 claim, the Department's Phase 4-G proceeding and Order confirm the application
3 of the power costs on a per fused amp, per feed basis. First, the portions of the
4 Phase 4-G Order cited by Mr. LoFrisco stands only for the proposition that the
5 Department approved a methodology for costing collocation power which
6 permitted Verizon MA to charge for the power requirements as determined by the
7 CLEC based on its specific amperage requirement. *Consolidated Arbitrations*
8 Docket, Phase 4-G Order at 17-18 (June 11, 1998). That is precisely what
9 Verizon MA has done in accordance with DTE MA No. 17.

10 Second, when Verizon MA filed its cost study addressing DC power, AT&T and
11 other CLECs were well aware that Verizon MA would assess DC Power on a per
12 fused amp, per feed basis. Indeed, MCI's expert witness in the *Consolidated*
13 *Arbitrations* docket, Rick Bissell, specifically raised on the record the fact that
14 Verizon MA intended to charge on a "fused amp basis." Mr. Bissell testified:

15 The most significant area in this cost study...is the cost of power,
16 as explained by Mr. Lathrop, can run into 80, 90,000 dollars per
17 amp for a CLEC. In addition to that, 30 percent of that 80 or
18 90,000 is simply because the cost is based on a fuse amp, as
19 opposed to how much power you're using. So, for example,
20 CLECs are already paying a premium of 30 percent, in much the
21 same way as if you had a 15-amp fuse in your house and you're
22 only using 10 amps of it. And similarly, *in the telecommunications*
23 *environment, suppliers recommend a minimum of 30 percent*
24 *higher fusing than the actual drain.*

25 Bissell, *Consolidated Arbitrations* Docket, Tr. Vol. 24 at 51-52 (December 15,
26 1997).

1 Mr. Bissell's testimony is significant because it clearly negates any suggestion
2 that the parties to the proceeding or the Department had any questions regarding
3 whether Verizon MA's proposed DC power costs would be applied on a fused
4 amp basis. Even more significant was the fact that Mr. Bissell did not offer this
5 observation regarding charges based of fuse amps as a problem to be addressed,
6 but merely as one of a number of reasons it was important for the Department to
7 gets its calculation of the per amp power charge right. *See id.* at 52.

8 Indeed, while parties to the *Consolidated Arbitrations* raised numerous issues
9 regarding Verizon MA's proposed DC power costs, subsequent to Mr. Bissell's
10 testimony in December of 1997, no party to the *Consolidated Arbitrations*
11 (including AT&T) raised the fact that Verizon MA charged CLECs on a fused
12 amp basis as an issue to be addressed by the Department prior to its approval of
13 the DC Power costs in the Departments *Phase 4-G Order*.

14 Q. Covad asserts that Verizon has billed the vast majority of Covad's collocation
15 power arrangements under Tariff 15, which allegedly does not specify that power
16 is to be assessed on a per fused amp basis. (Covad Direct Testimony at ¶68)
17 Please comment on its claim.

18 A. Verizon has billed and continues to bill Covad for its collocation arrangements in
19 accordance with the approved tariff and/or rates in effect at the time. Verizon's
20 DPU 15 tariff clearly states that charges for DC power are incurred on a per amp
21 basis. Covad was provided with DC power for the total amount fused on each
22 feed and was billed properly for each amp which it could draw.

1 Q. Please comment on the methodology Covad and AT&T used to calculate what
2 they believe to be the extent of overcharging?

3 A. Without an extensive review of each of the bills provided to AT&T and Covad,
4 which, as Covad points out, is extremely time consuming, we cannot speak to the
5 exact numbers, however, we can speak to the methodology they use. Verizon
6 MA, in accordance with its tariff, billed the CLECs for the total amount of power
7 provisioned to the collocation arrangement. This is appropriate because the
8 CLEC was in the position to draw power up to the fuse size on each feed.
9 Therefore, we disagree with both parties' calculations, which suggest that the load
10 or drain amps on one feed of the provisioned feed pair should be billed when in
11 fact the CLEC had access to and use of the total amount of fused power on both
12 feeds that Verizon MA provisioned to the arrangement. Their estimates of the
13 amounts that should have been billed, based on AT&T's definition of ordered
14 load and Covad's formulaic 1/3 approach, are simply incorrect.

15 Q. Do you agree with Covad's claim that DC power charges should not have been
16 applied to the 11 collocation arrangements Covad ordered but did not occupy?

17 A. No. Covad ordered 11 collocation arrangements, for which Verizon MA
18 conditioned space for occupancy, provisioned DC power, installed POT bays, and
19 ran cabling for terminations as specified by Covad. Verizon MA does not
20 routinely track whether or when a CLEC installs equipment or otherwise
21 "occupies" the collocation arrangement. Verizon MA is entitled to bill the non-
22 recurring and recurring charges for this arrangement until such time as the CLEC
23 notifies Verizon that it is terminating the arrangement. Section 2.4.1 D of Tariff

1 17 provides that all recurring charges, including DC power, begin after the
2 completion of construction of the collocation arrangement. This is reasonable
3 given that Verizon MA has incurred costs to prepare and deliver the space as well
4 as provision the DC power capacity, as requested by Covad for its use. Covad is
5 liable for these charges at the time construction is completed, not if and when it
6 elects to occupy the space, and remains liable until such time as the space is
7 returned to Verizon MA.

8 Q. Covad contends that Verizon incorrectly charged the rates in Tariff 17 prior to
9 those rates being approved. (Covad Direct Testimony, ¶¶ 54-57 and Exhibit A)
10 Is that correct?

11 A. No, although DTE MA No. 17 was not approved until September 2000, the rates
12 for physical collocation were filed at the direction of the Department in June of
13 1998 as part of a compliance filing in the *Consolidated Arbitrations*. As a result,
14 and contrary to Covad's claim, these are the approved rates for physical
15 collocation.

16 Q. AT&T and Covad point out that Verizon MA continues to bill for DC power on a
17 fused amp, per feed basis, even after the tariff was revised in February 2001. Is
18 this correct?

19 A. Yes. Verizon just recently completed the review of the information received from
20 CLECs regarding changes in their power requirements and completed and tested
21 the necessary systems work that will allow Verizon MA to produce billing for DC
22 Power going forward on a total load amp ordered basis. This billing will include

1 a one-time adjustment to reflect any difference between the charges billed during

2 this period under the former tariff structure and the revised tariff structure.

3 Q. Does this conclude your testimony?

4 A. Yes.